

IN THE UNITED STATES DISTRICT COURT  
FOR THE WESTERN DISTRICT OF WASHINGTON  
AT SEATTLE

ST. PAUL FIRE AND MARINE  
INSURANCE COMPANY, et al.,

Plaintiff,

v.

HEBERT CONSTRUCTION, INC., et al.,

Defendants.

No. C05-0388-TSZ

DEFENDANT/THIRD PARTY PLAINTIFF  
ADMIRAL INSURANCE COMPANY'S  
REBUTTAL EXPERT WITNESS DISCLOSURE

ADMIRAL INSURANCE COMPANY,

Third Party Plaintiff,

v.

SAFECO INSURANCE COMPANY, et  
al.,

Third Party Defendant.

COMES NOW Defendant/Third Party Plaintiff Admiral Insurance Company and submits  
the following rebuttal expert disclosure:

ADMIRAL INSURANCE COMPANY'S REBUTTAL  
EXPERT WITNESS DISCLOSURE- 1  
(No. C05-0388-TSZ)

**JACKSON & WALLACE**  
Columbia Center  
701 Fifth Avenue, Suite 2850  
Seattle, WA 98104  
(206) 386-0214

1 Charles D. Henderson  
2 Henderson Consulting and Risk Management  
3 9 Sleepy Hollow Lane  
4 Newton Square, PA 19073  
5 Telephone: (610) 353-3124

6 Mr. Henderson is an expert on claims handling by insurers. He will testify concerning  
7 whether Admiral complied with applicable claims handling standards during the course of its  
8 handling of the underlying claim. He will also provide rebuttal testimony concerning the  
9 Meadow Valley Defendants' allegations of bad faith. Mr. Henderson's Curriculum Vitae and  
10 Rule 26 Disclosure Statement are attached. Mr. Henderson's written report will be provided on  
11 June 7, 2006, pursuant to a stipulation between Admiral's counsel and counsel for the Meadow  
12 Valley Defendants. Mr. Henderson will be available for deposition upon reasonable notice of a  
13 mutually convenient time and place. His hourly rate for compensation is \$285.

14 Admiral Insurance Company reserves the right to call any expert and use any reports  
15 and/or opinions provided in the other parties' expert and rebuttal expert disclosures.

16 DATED this 31st day of May, 2006.

17 JACKSON & WALLACE LLP

18 /s/ Tracy A. Duany  
19 Daniel F. Mullin, WSBA #12768  
20 Tracy A. Duany, WSBA #32287  
21 Attorneys for Third Party Plaintiff Admiral  
22 Insurance Company  
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**CERTIFICATE OF SERVICE**

I hereby certify that on May 31, 2006, I electronically filed the following:

- Admiral Insurance Company's Rebuttal Expert Witness Disclosure

with the Court using the CM/ECF system which will send notification of such filing to the following:

***Attorneys for Hebert Construction, Inc., Meadow Valley, LLC, Roger and Shelly Hebert, Henry and Karen Hebert, Andrzej and Roma Lawski, James and Anne Kossert***

Kenneth Hobbs  
601 Union Street, Suite 3100  
Seattle, WA 98101-1374

***Attorneys for St. Paul Fire and Marine Insurance Company and St. Paul Guardian Insurance Company:***

Stephanie Andersen  
Gordon & Polser, LLC  
1000 Second Avenue, Suite 1500  
Seattle, WA 98104

***Attorneys for Defendants Safeco/American Economy***

William Knowles  
Cozen & O'Connor  
1201 Third Avenue, Suite 4200  
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JACKSON & WALLACE LLP

By: /s/ Tracy A. Duany  
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**CHARLES D. HENDERSON**

9 Sleepy Hollow Lane  
Newtown Square, PA 19073  
Phone 610-353-3124  
[ClaimsExpert01@aol.com](mailto:ClaimsExpert01@aol.com)

**CURRICULUM VITAE**

**PROFESSIONAL EXPERIENCE**

**HENDERSON CONSULTING**

**2002 to Present**

Insurance Consultant  
Newtown Square, PA

**SUMMIT RISK SERVICES, INC.**

**1999-2002**

Hatboro, PA  
Manager, Senior Claim Officer

- Manager of a nationwide third-party administrator specializing in professional liability, excess liability and reinsurance claims.
- Supervised a staff of 12 technical and 6 administrative personnel with a budget of \$1.5M.
- Managed claim payments of \$20M per year.
- Achieved adjuster licensing in all required states.
- Developed and managed company sponsored seminars involving multiple speakers, 100+ attendees, with topics as diverse as EPLI, construction defect, police professional civil rights and land use.
- Designed and managed implementation of a new proprietary claims system allowing direct client access to file notes, underwriting, and financial data.

**CIGNA**

**1986-1999**

Philadelphia, PA  
Home Office Claim Superintendent

- Home office manager for the nationwide construction defect team responsible for the technical management of 12 liability specialists and 3 supervisors. Handled a case pending of 3,100 claims with reserves of \$60M.
- Home office manager for the western region of the casualty division accountable for all coverage decisions and settlement authority in excess of \$500,000 up to \$2.5M
- Twelve years of home office tenure handling auto/truck, um/uim and all general liability lines including advertising injury, personal injury, nursing homes, funeral directors, discrimination, sexual molestation, labor law, etc.
- Member of the home office based claims audit team.

**MUTUAL FIRE MARINE & INLAND INSURANCE COMPANY,**

**1990-1991**

Philadelphia, PA

**Chief Technical and Administrative Officer**

- Responsible for creating and staffing the claim department for Mutual Fire which had been placed in receivership in 1986.
- Instrumental in the settlement of 65% of all claims in excess of \$5,000.
- Created a system for computerized check payment and distribution that incorporated the standard proof of loss system utilized by insurance companies in receivership.
- Achieved the goal of initial small claim and large claim payments under the Plan of Rehabilitation as approved by the Commonwealth Court of Pennsylvania, which laid the foundation for the company to be fully rehabilitated.

**BROWN AND FLEMING ASSOCIATES, INC.,**

**1981-1986**

Chester, PA

**General Manager**

- Administered multi-line, independent adjusting company doing business in Pennsylvania, New Jersey and Delaware, a staff of 26 inside and outside adjusters, 18 clerical and support personnel.
- Presided over revenue growth from \$500,000 to \$1,750,000 from 1984 to 1986.

**AUTOMOBILE RENTAL INSURANCE & SERVICES,**

**1976-1981**

Paoli, PA

**Assistant Claim Manager**

- Created and administered the home office claim department, systems, procedures, hiring, training and review of 10 employees.
- Initiated the company's reserve policy through negotiations with Lloyds of London underwriters which reinsured 95% of the policies issued.

**LIBERTY MUTUAL INSURANCE COMPANY,**

**1974-1976**

Bala Cynwyd, PA

**Claim Adjuster**

- Completed a seven-week claim training program.
- Investigated and handled to conclusion bodily injury claims on all lines of coverage, including product liability and medical malpractice.

**EDUCATION**

**LaSalle University**  
Philadelphia, PA  
MBA – Finance 1985

**LaSalle University**  
Philadelphia, PA  
BS – Organizational Management 1974

**PROFESSIONAL AFFILIATIONS**

Federation of Defense and Corporate Counsel  
Society of Registered Professional Adjusters, License #963  
Construction Defect Claim Manager Association

## **RULE 26 DISCLOSURE STATEMENT**

### **Testimony as an Expert**

- 2002 Retained as a coverage and claim-handling expert, submitted an expert report, and testified as an expert witness at deposition and arbitration on behalf of defendant, ceding insurance company in a \$100M reinsurance arbitration dispute. The Arbitration is subject to a confidentiality agreement.
- 2003 *Westchester v Household* USDC, E.D. IL deposition testimony
- 2003 *Friend v. Aiton and State Farm*, Circuit Court Monongalia County, WV deposition testimony
- 2003 *Obert v Pacific Employers Insurance Company* USDC, RI 30(b) (6) deposition testimony
- 2005 *Guang Lu v Zurich American Insurance Company* USDC, S.D. MD deposition testimony

### **Publications**

- 2004 *Preparing Insurance Personnel for Depositions in Bad Faith Cases: Critical Issues for Senior Insurance Executives and In-House Counsel*. The PLRB-FDCC Joint Seminar, September 2004
- 2005 *Recent Changes in Insurance Coverage affecting Construction Defect Litigation: The ASCDC-CDCMA Joint Seminar*, September 2005
- 2005 *Economic Loss Rule and Construction Defect: Mealey's Construction Defect & Mold Litigation Conference*, November 2005
- 2006 *The Lure of High Rise Buildings, Insurance Issues involving Owner Controlled Insurance Programs or Wrap Policies: 13<sup>th</sup> Anniversary West Coast Casualty's Construction Defect Seminar*, May 2006

### **Compensation**

Fee for all services is \$285.00 per hour.